Strengthening of Khadi and Village Industries

4272. PROF. (SHRIMATI) BHARATI RAY: Will the Minister of SMALL SCALE INDUSTRIES .AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government have announced a package to strengthen the Khadi and Village Industries;

(b) if so, what are the details thereof;

(c) the date since when it has come in operation;

(d) whether the rebate policy has also been restructured; and

(e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) to (e) The Government of India announced a package for Khadi and Village Industries Sector on 14.05.2001, with the prime objectives of creating more jobs in rural areas and empowering women and backward classes in India. The salient features of the package consist of Rebate Policy for five years, options of Rebate and Market Development Assistance (MD A), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development, focus on core areas and provision of additional working capital. Under the proposed Rebate/MDA Policy which would continue for five years, the Special Rebate period has been staggered and number of days has been enhanced from 90 days in a yearto 108 days. .

Plan to Establish SSI in North-Eastern States

4273. SHRI DRUPAD BORGOHAIN: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES bepleased to state:

(a) whether the Ministry has made any study and plan to establish small scale and agro based rural industries in North-Eastern States; and

(b) if so, the details of concrete plans for each State?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) Units in the Small Scale and Agro based rural industries m the country are established by private entrepreneurs. The Central Government supplement the efforts of the State Government/UTs through various schemes/

programmes to provide entrepreneurs with institutional, financial and infrastructure support, consultancy, state profile, potential survey and other relevant information for establishment of small scale units in the country. Besides all the on-going Schemes/Programmes, the Central Government has introduced a comprehensive New Industrial Policy for the entire North-Eastern Region to help Small Scale Industries and Agro & Rural Industries. The salient features of the policy are as under:

(i) IID Scheme: Under this Scheme funding pattern (sharing of funds) for Integrated Infrastructural Development Centres (IIDCs) has been changed from 2:3 between GOI and SIDBI to 4:1. The Government share is in the form of grant and SIDBI share in the form of loan.

(ii) Subsidy @ 15% of the investment in Plant and Machinery subject to a ceiling of Rs. 30,00 lakhs is allowed under the Capital Investment Subsidy Scheme.

(iii) An interest subsidy-@ 3% on the working capital loan is provided to the new units in the NE Region for a period for 10 years from the commencement of production,

(iv) Comprehensive Insurance Scheme for Industrial units set up after 24.12.1997 has been put in place.

(v) Transport Subsidy Scheme has been extended by 7 years upto 31.3.2007 and amount is to be disbursed through the North-East Development Finance Corporation.

(vi) Industries located in the Growth Centres and IIDCs become Tax-free zones for income tax and excise duty for a period of 10 years.

(vii) Under the Prime Minister's Rozgar Yojana Scheme, relaxation in age, income limit and enhancement in the quantum of subsidy has been given.

Cancellation of Reserved List For SSI

† 4274. SHRI P.K. MAHESHWARI: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES bepleased to state:

(a) whether Government have decided to withdraw the reserve list earmarked for small scale industries;

† Original notice of the question was received in Hindi.